

BEFORE THE FEDERAL ELECTION COMMISSION

DEC 5 2006
COMMISSION
SECRETARIAT

2006 DEC -5 A 9:27

In the Matter of)

MoveOn.org Voter Fund)

MoveOn PAC, and Wesley Boyd)

in his official capacity as treasurer)

MUR 5754

SENSITIVE

GENERAL COUNSEL'S REPORT #1¹

I. ACTIONS RECOMMENDED

(1) Accept the signed Conciliation Agreement with MoveOn.Org Voter Fund; (2) take no further action as to MoveOn PAC and Wesley Boyd in his official capacity as treasurer; and (3) close the file

II. INTRODUCTION

The Commission previously found reason to believe that MoveOn.Org Voter Fund (hereinafter "MOVF"), which is organized under Section 527 of the Internal Revenue Code, violated 2 U.S.C. §§ 433, 434 by failing to register and report as a political committee during the 2004 election cycle, and violated 2 U.S.C. § 441a(f) by accepting excessive contributions.

We recommend that the Commission accept the attached signed conciliation agreement negotiated with MOVF, which includes the payment of a \$150,000 civil penalty, conduct prohibitions, and disclosure obligations. and would be one of the first conciliation agreements

¹

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We recommend that the Commission accept the attached signed conciliation agreement negotiated with MOVF, which includes the payment of a \$150,000 civil penalty, conduct prohibitions, and disclosure obligations. and would be one of the first conciliation agreements

with a Section 527 organization in connection with 2004 election cycle activity.

III. DISCUSSION

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B. MoveOn PAC

The Commission previously made reason-to-believe findings as to MoveOn PAC and Wesley Boyd, in his official capacity as treasurer, based upon a misallocation theory

Since the misallocation violation is an alternative theory of liability, and since MOVF has agreed to pay a substantial civil penalty and to enter into the attached agreement for the political committee violation, we believe the Commission's acceptance of the attached agreement would warrant an exercise of prosecutorial discretion to take no further action with respect to MoveOn PAC and its treasurer

C. Conclusion

Based on the foregoing, we recommend the Commission accept the attached Conciliation Agreement with MOVF, take no further action as to MoveOn PAC and Wesley Boyd, in his official capacity as treasurer, and close the file in this Matter.

III. RECOMMENDATIONS

- 1 Accept the attached Conciliation Agreement with MoveOn.org Voter Fund;
- 2
- 3
- 4 2. Take no further action with respect to MoveOn PAC and Wesley Boyd, in his official
- 5 capacity as treasurer,
- 6
- 7 3. Approve the appropriate letters, and
- 8
- 9 4. Close the file.
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14 12/4/06
15 Date

16 Lawrence H. Norton/84
17 Lawrence H. Norton
18 General Counsel

19 Rhonda J. Vosdinger/84
20 Rhonda J. Vosdinger
21 Associate General Counsel for Enforcement

22 Ann Marie Terzaken
23 Ann Marie Terzaken,
24 Assistant General Counsel

25 April J. Sands
26 April J. Sands
27 Attorney

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37 Attachment: Proposed Signed Conciliation Agreement

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